INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

HIGHER EDUCATION CERTIFICATE

END OF SEMESTER EXAMINATIONS - DECEMBER 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

Do 10 numbers from section A

Question 1:

Give four purposes of starting a business

Question 2:

State four characteristics of a good entrepreneur.

Question 3:

Outline four factors that influence business location.

Question 4:

Explain any four internal factors that affect business performance

Question 5:

Explain any four external factors that affect business performance

Question 6:

Explain four reasons why businesses fail.

Question 7:

Outline four challenges faced by small and medium enterprises

Question 8:

Identify and explain five sources of business finance.

Question 9:

Give four purposes of a business plan.

Question 10:

Explain the factors favourable for starting a business

Question 11:

Explain the advantages of internal recruitment in business organisation

Question 12:

What are the disadvantages of external recruitment?

Question 13:

What should a person do if the business is not doing well?

Question 14:

Explain the meaning of SWOT analysis in business enviroment

Question 15:

Discuss the importance of a cooperative type of business

Question 16:

What are the disadvantages of cooperatives in business?

Question 17:

What are the advatages of partneship form of business

Question 18:

Explain the functions of liquid cash in business management

Question 19:

Discuss the role of a human resource manager in an organisation

Question 20:

Define business and explain any two key features of a business

SECTION B

Chose any three questions from section B where each Question carries 20 Marks

Question 1:

Describe five advantages of sole proprietorship as a form of business ownership.

Question 2:

State the functions of management in a business enterprise

Question 3:

Discuss the characteristics of effective leadership in business.

Question 4:

Explain the stages involved in setting up a new business enterprise.

Question 5:

Discuss the advantages and disadvantages of partneship form of business

Question 6:

Explain the stages involved in setting up a new business enterprise.

Question 7:

Explain the importance of customer care in a business enterprise

Question 8:

Discuss how PESTEL is used in business analysis

Question 9:

Give the the likely issues a business may face for failure to have better customer care

Question 10:

Explain the importance of record keeping in a business