INSTRUCTIONS

1. Answer QUESTION ONE and any other TWO questions
2. Show all your workings.
3. Candidates are advised not to write on the question paper
QUESTION ONE  Compulsory (30 marks)
   a) For businesses to be successful they must involve other people. These people affect and are affected by the business and hence they have an interest in business, we call them stakeholders. Describe the Key Stakeholders and define how each of them affect business operations. (16mks)
   b) Define the terms; Domestic Corporation, foreign corporation and a multinational corporation.(6mks)
   c) What are the motivations behind corporate social responsibility (8mks)

QUESTION TWO  (20 marks)
   a) Discuss four ethical frameworks that will guide you in making sound business decisions. (6mks)
   b) Describe the three different types of mergers (6mks)
   c) State the short-term sources of funds for enterprise such as Safaricom (8mks)

QUESTION THREE  (20 marks)
   a) Explain the key features of a limited liability partnership (LLLP) (10mks)
   b) Explain the role of the Kenyan government in business environment(10marks)

QUESTION FOUR  (20 marks)
   a) Identify Michael Porter’s five forces of competition(10mks)
   b) Discuss various ways through which a business person can raise finance for a business. (10mks)

QUESTION FIVE (20 marks)
   a) Explain how managers can improve ethical behaviour in their organizations (5mks)
   b) Explain the 4 P’s of marketing. (5mks)
   c) Discuss how marketing contributes to our economy citing relevant examples. (10mks)