



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**SCHOOL OF BUSINESS AND ECONOMICS**

**UNIVERSITY EXAMINATIONS FOR THE BACHELOR OF BUSINESS ADMINISTRATION**

**WITH IT**

**1<sup>ST</sup> YEAR 2<sup>ND</sup> SEMESTER 2025 ACADEMIC YEAR**

**MAIN / KISUMU CAMPUS**

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**COURSE CODE: BAB 1102**

**COURSE TITLE: BUSINESS ENVIRONMENT**

**DATE: 24/04/2025**

**EXAM SESSION: 9.00 – 11.00 AM**

**TIME: 2 HOURS**

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**Instructions:**

- 1. Answer question ONE and any other TWO questions**
- 2. Candidates are advised not write on the question paper**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room**

**Question One (30marks)**

- a) Over the last 100 years there has been a shift in industrial structure in all countries, first from agriculture to manufacturing and then from manufacturing to services. Explore both demand and supply factors leading to the changes. (5 marks)
- b) Business environment plays an important role in almost all business enterprises in a globalized economy. Explain the elements that show significance of business environment. (5 marks)
- c) A key element of globalization is about how the world becoming increasingly interconnected. Discuss the merits of Globalization. (5 marks)
- d) Environmental business analysis should be a continuous process. Explain the steps that should be followed during environmental analysis process. (5 marks)
- e) Explain the Forces that are shaping society and business relationship given that Business and society are highly interdependent. (5 marks)
- f) Examine what is entailed in general or contextual environment. (5 marks)

**Question Two (20marks)**

- a) Businesses have a duty to fulfil objectives that stretch beyond the simple well-being of the organisation and its owners to the promotion of greater corporate social responsibility. Establish four key drivers of corporate environmental responsiveness (10 marks)
- b) Market structure is important not only because of the implications it has for conduct and performance but can be thought of as lying along a continuum with perfect competition at one end and monopoly at the other. Determine five conditions that need to be fulfilled before perfect competition is said to exist. (10 marks)

**Question Three (20marks)**

The form and means by which this environmental scanning may be operationalized within an organisation will vary from firm to firm and can be undertaken informally or using quite sophisticated analytical tools and techniques. Evaluate;

- a) Informal scanning as a form of getting information. (8 marks)
- b) Formal means for scanning and analysing the environment . (12 marks)

**Question Four (20marks)**

- a) Governments have obligations on macroeconomy in their respective countries. Discuss six key objectives. (12 marks)
- b) Today's business organizations are adopting Corporate social responsibility (CSR) as a concept of meeting the needs of stakeholders while accounting for their impact. Explain the benefits of Corporate Social Responsibility for companies? (8 marks)

**Question Five (20marks)**

- a) Given that corporate governance is the system by which companies are directed and controlled, discuss the Principles of Corporate Governance. (10 marks)
- b) Businesses and companies are being driven to engage in international business. Explain factors that affect international business environment? (10 marks)