



Riara School of Business
Nurturing business innovators

SEPTEMBER – DECEMBER TRIMESTER, 2015
EXAMINATION FOR DIPLOMA IN BUSINESS MANAGEMENT

DAY PROGRAMME

BDM 011: BUSINESS ENVIRONMENT

DATE: DECEMBER 2015

TIME: 2 HOURS

INSTRUCTIONS

- i) Answer question one and any other two**
 - ii) Marks allocated to each question are shown at the end of the question**
 - iii) Arrange your work neatly and indicate the questions answered in the Examination booklet**
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QUESTION ONE (COMPULSORY - 30 MARKS)

- a) The degree of economic integration can be categorized into several stages. Briefly discuss the various stages (14 Marks)**
- b) Discuss the main characteristics of a good business (6 Marks)**
- c) Businesses today are facing various challenges that businesses face today as a result of globalization. Discuss (10 Marks)**

QUESTION TWO

- a) The public is a critical part of the micro business environment. Briefly outline the different types of public (10 Marks)**
- b) You are in the process of opening a Supermarket, discuss any five factors that you would take into account while tackling the Macro-Environment**

(10 Marks)

QUESTION THREE

- a) A business owner approaches you confused about business legislation. What would you explain to him as the main role of business legislation? **(10 Marks)**
- b) You are considering opening a business as a sole proprietorship. Discuss the main features of a sole proprietorship **(10 Marks)**

QUESTION FOUR

- a) A negative externality is an economic activity that imposes a negative effect on an unrelated third party. Briefly outline five examples of negative production externalities **(10 Marks)**
- b) With the advancements in technology, businesses have been going international. Discuss with examples some of the ways in which a business can go international **(10 Marks)**