



**TECHNICAL UNIVERSITY OF MOMBASA**  
***Faculty of Engineering & Technology***

DEPARTMENT OF COMPUTER SCIENCE & IT

UNIVERSITY EXAMINATIONS FOR DEGREE IN  
BACHELOR OF TECHNOLOGY & INFORMATION TECHNOLOGY

**BFI 4150: FOUNDATION OF BUSINESS**

SUPPLEMENTARY/SPECIAL EXAMINATIONS

**SERIES:**sept. 2017

**TIME:** 2 HOURS

**INSTRUCTIONS:**

– Answer Question **ONE (Compulsory)** and any other **TWO** questions.

***This paper consists of Two printed pages***

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**QUESTION 1 (Compulsory)**

- a) A sole proprietorship need a licence to start a business. Explain steps/procedures involved in attaining this. **(10 marks)**
- b) A business is a separate and legal entity, discuss. **(5 marks)**
- c) Compare between partnership and sole proprietorship. **(15 marks)**

**QUESTION 2**

- a) Explain **FOUR** factors that affect demand and supply of a good. **(10 marks)**
- b) Explain how demand and supply forces in the market determine the price of a commodity (Illustrate using a diagram). **(10 marks)**

### QUESTION 3

- a) What are the Social Responsibilities of a business to:
- i) Employees
  - ii) Community
  - iii) Government
- (10 marks)**
- b) Explain external and internal environment of a business. **(10 marks)**

### QUESTION 4

- a) Identify and explain internal and external sources of recruitment in an organization. **(10 marks)**
- b) Training is a catalyst in an organization. Discuss. **(10 marks)**

### QUESTION 5

- a) Explain **FOUR** types of organization structure. **(10 marks)**
- b) Compare capital structure and finance structure. **(10 marks)**