

**BOTSWANA COLLEGE OF DISTANCE  
AND OPEN LEARNING  
In collaboration with  
THE VIRTUAL UNIVERSITY  
FOR SMALL STATES OF THE COMMONWEALTH  
(VUSSC)**

**Bachelor Of Business And Entrepreneurship**

**THE BUSINESS ENVIRONMENT  
BE103**

**Special Examination**

**Marks – 100**

**Time allowed: 3 hours**

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**Instructions**

1. The examination consists of **Four** sections: A, B, C and D
2. Begin each answer to a new question on a new page.
3. Answer questions according to instructions given in each section
4. Write answers in the answer booklet provided
5. Write in grammatical English

**SECTION A - MULTIPLE CHOICE QUESTIONS**

**[10 MARKS]**

**Answer ALL questions. Each question carries ONE (1) mark.**

1. \_\_\_\_\_ best describes the “Autonomy principle”?
  - A. Business should respect human rights
  - B. Business should not be deceptive in their practices
  - C. Business should not infringe on the rationally reflective choices of people
  - D. Business should be fair in all of their practices
  
2. What is Market Research?
  - A. Processing information about competition
  - B. Gathering information about competition
  - C. Processing information about products/ services
  - D. Gathering information about products/ services
  
3. \_\_\_\_\_ is the correct order of the Marketing Mix?
  - A. Promotion, product, price, placement
  - B. Product, price, placement, promotion
  - C. Product, price, promotion, placement
  - D. Product, promotion, price, placement
  
4. \_\_\_\_\_ is an example of a secondary industry?
  - A. Food processing
  - B. Financial services
  - C. Plantation
  - D. Banking
  
5. Dividing the market according to similar characteristics is referred as \_\_\_\_\_.
  - A. Market share
  - B. Market positioning

- C. Market utility
  - D. Market segmentation
6. \_\_\_\_\_ illustrates the flow of research and development operation within a company?
- A. Production, small scale production, prototype development
  - B. Small scale production, production, prototype development
  - C. Prototype development, small scale production, production
  - D. Production, prototype development, small scale production
7. Which of the following is an advantage of the bureaucratic leadership style?
- A. Increased safety
  - B. Creative thinking
  - C. Faster decision making
  - D. Successful initiatives
8. What is the purpose of Accounting?
- A. To provide information that is useful in running a business
  - B. To provide data to help decision makers
  - C. To provide information that is needed by management
  - D. To provide a means of recording, reporting, summarizing and interpreting economic data.
9. Which of the following is the first step in the marketing research process?
- A. Collect the data
  - B. Defining the problem
  - C. Design the questionnaire
  - D. Determine the research objective
10. \_\_\_\_\_ was the first country to use the quality management system.
- A. Russia

- B. Korea
- C. Japan
- D. China

**SECTION B – TRUE/FALSE QUESTIONS**

**[10 MARKS]**

**Answer ALL questions. Each question carries ONE (1) mark.**

**State whether each of the following statements is TRUE or FALSE.**

1. Lack of creativity is a disadvantage of autocratic leadership.
2. Automobile manufacturing is an example of a tertiary industry
3. Technology services are an example of tertiary industries.
4. Critical path analysis is a planning tool that helps to determine all of the tasks that are needed to complete a project.
5. Projects usually follow major phases or stages including definition.
6. Salary expenses, rent, utilities, and interest on borrowed money are examples of liabilities.
7. The “golden rule” is described as – give others freedom of speech.
8. Liability exposure is a factor to consider when choosing a business ownership model.
9. Michael Porter published the Value Chain Analysis in 1988.
10. One of the basic components of supply chain management is sourcing.

**SECTION C – SHORT ANSWER QUESTIONS**

**[30 MARKS]**

**Answer all questions**

1. Give five examples of primary industries. **(5 marks)**
2. List four types of marketing utility. **(4 marks)**
3. List five advantages of the democratic leadership. **(5 marks)**
4. Distinguish between financial and management accounting. **(2 marks)**
5. Name three categories of accounts. **(3 marks)**
6. What is the difference between primary research and secondary research? **(2 marks)**
7. List the five fairly broad moral principles suggested by philosophers. **(5 marks)**
8. Define the term “stakeholder” using examples. **(4 marks)**

**SECTION D ESSAY QUESTIONS**

**[50 MARKS]**

**Answer any TWO questions from this section**

**QUESTION 1**

- a. A young graduate wants to start his own computer retailing business as a sole trader.  
Explain the main disadvantages of this form of business organisation. **(12 marks)**
- b. A similar business is available as a franchise offered by an international company.  
Explain the advantages of opting for this type of business organisation instead of being a sole trader. **(13 marks)**

**QUESTION 2**

Consumer behavior refers to the behavior patterns of decision making units directly involved in the purchase and use of products, including the decision- making processes preceding and determining these behavior patterns.

Write an essay in which you discuss the influence of the following determinants on consumer behaviour. **(25 marks)**

- a) Attitudes
- b) Perception
- c) Learning ability
- d) Personality traits
- e) Lifestyle

**QUESTION 3**

A business environment is constantly changing and it is important for a company to understand those changes and determine their impact.

- a) What do you understand by “macro- environment of a business”? **(5 marks)**
- b) Discuss any five factors affecting the macro- environment of a business. **(20 marks)**