

Name \_\_\_\_\_ Index No. \_\_\_\_\_ / \_\_\_\_\_

7031/106  
BUSINESS ORGANIZATION  
July 2012  
Time: 3 hours

Candidate's Signature \_\_\_\_\_

Date \_\_\_\_\_



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THE KENYA NATIONAL EXAMINATIONS COUNCIL  
CERTIFICATE IN BUSINESS ADMINISTRATION  
BUSINESS ORGANIZATION

3 hours

INSTRUCTIONS TO CANDIDATES

*Write your name and index number in the spaces provided above.*

*Sign and write the date of the examination in the spaces provided above*

*This paper consists of TWO sections; A and B.*

*Answer ALL questions in section A in the spaces provided in this question paper.*

*Answer any FOUR questions from section B in the spaces provided in this question paper.*

*All questions in section B carry equal marks.*

For Examiner's Use Only

Section	Questions	Maximum Score	Candidate's Score
A	1 -10	32	
B	11	17	
	12	17	
	13	17	
	14	17	
	15	17	
Total Score			

**This paper consists of 12 printed pages.**

**Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.**

**SECTION A (32 marks)**

*Answer ALL questions in this section in the spaces provided.*

1. State **three** skills that a manager should possess in order to effectively delegate work to employees. (3 marks)
  - (i) \_\_\_\_\_
  - (ii) \_\_\_\_\_
  - (iii) \_\_\_\_\_
  
2. Many organizations prescribe the procedures that employees should follow at the work place. State **four** criteria that such procedures should meet for them to be useful. (4 marks)
  - (i) \_\_\_\_\_
  - (ii) \_\_\_\_\_
  - (iii) \_\_\_\_\_
  - (iv) \_\_\_\_\_
  
3. List **four** functions of a sales officer in an organization. (4 marks)
  - (i) \_\_\_\_\_
  - (ii) \_\_\_\_\_
  - (iii) \_\_\_\_\_
  - (iv) \_\_\_\_\_
  
4. Identify **three** functional areas in an organization for which policy is usually formulated. (3 marks)
  - (i) \_\_\_\_\_
  - (ii) \_\_\_\_\_
  - (iii) \_\_\_\_\_

5. State **three** benefits that may accrue to an organization which undertakes social responsibility activities. (3 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
6. Identify **three** sources of finance for a sole proprietorship business. (3 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
7. State **four** services that a retailer provides to the consumers. (4 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
- (iv) \_\_\_\_\_
8. State **three** benefits of using diagrams to present statistical data. (3 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
9. Identify **three** types of instruments that can be used to collect data in research. (3 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_
- (iii) \_\_\_\_\_
10. State **two** roles that a production department in an organization plays. (2 marks)
- (i) \_\_\_\_\_
- (ii) \_\_\_\_\_

**SECTION B (68 marks)**

*Answer any **FOUR** questions from this section in the spaces provided.*

11. (a) Highlight **six** main activities undertaken by the accounts department in an organization. (9 marks)
- (b) Describe the procedure that should be followed in analyzing data collected from the field. (8 marks)
12. (a) Many employees tend to resist work delegated to them by their bosses. Outline **six** reasons that may account for this tendency. (9 marks)
- (b) Highlight **four** reasons that make it necessary for a firm to have organization manuals. (8 marks)
13. (a) Most organizations find it important to have codified policies. Outline **six** ways in which such policies are important. (9 marks)
- (b) Explain **four** strategies that a firm can adopt for its expansion. (8 marks)
14. (a) Describe the process that should be followed in the time study method of work measurement. (9 marks)
- (b) Outline **four** ways in which a manufacturer can assist a wholesaler in the trading chain. (8 marks)
15. (a) Highlight **six** organizational issues that should be addressed by an Organization and Methods officer in an organization. (9 marks)
- (b) Outline **four** methods that the purchasing department in an organization can use to procure goods for the firm. (8 marks)