

**THE UNIVERSITY OF ZAMBIA**  
**GRADUATE SCHOOL OF BUSINESS STUDIES**  
**2016 ACADEMIC YEAR-FINAL EXAMINATION**

BBA 2122: BUSINESS ENVIRONMENT

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OSM 5032: COMMERCIAL MANAGEMENT OF PROJECTS

SEM 3022: MANAGERIAL ECONOMICS

**THE UNIVERSITY OF ZAMBIA**  
**SCHOOL OF HUMANITIES AND SOCIAL SCIENCES**  
**DEPARTMENT OF ECONOMICS**

**BBA 2122: BUSINESS ENVIRONMENT**

**Quiz One (1)**

**29<sup>th</sup> August 2016**

**INSTRUCTIONS**

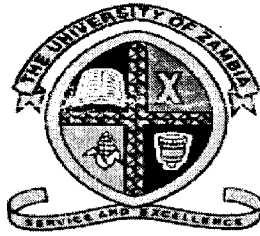
There are Ten (10) questions in this quiz, Answer all by circling the correct answer  
Ensure You Fill in All Your Personal Details Correctly on the Face of the Question Paper

**Student Names:**.....

**Student ID:**.....

1. Which of the following factors does not affect strategies and decisions within the organisation:
  - a) Company image
  - b) Technology
  - c) Culture
  - d) None of the above
  
2. Effective organization promotes a high level of .....
  - a) Notoriety
  - b) Profit
  - c) Specialization
  - d) Efficiency
  
3. Many companies today have a ..... Focus.
  - a) Management
  - b) Customer
  - c) Employee
  - d) Stakeholder

4. Which of the following does not form part of a firm's external environment?
  - a) Internal environment
  - b) Economic environment
  - c) Technological environment
  - d) Political environment
  
5. Which one of the following is the best explanation of business environment?
  - a) External factors that effects a business
  - b) Internal factors that affects a business
  - c) Laws and regulations that affect a business
  - d) All of the above
  
6. If you are being subject to a new set of regulations, what type of factor is this?
  - a) Political and external
  - b) Economic and external
  - c) Statute and external
  - d) Economic and internal
  
7. Which one of the following does not fall within the jurisdiction of government?
  - a) Prevention of monopolistic trade practices
  - b) Prevention of restrictive trade practices
  - c) Prohibition of unfair trade practices
  - d) None of the above
  
8. A long term partnership between two or more companies to jointly develop, produce or sell products in the market place is called?
  - a) Joint venture
  - b) Franchise
  - c) Strategic alliance
  - d) None of the above
  
9. Which one is not an ingredient that lead to a national comparative advantage?
  - a) The availability of resources and skills
  - b) The goals of individual in company
  - c) Information that firms use to decide which opportunities to pursue.
  - d) All of the above
  
10. Which one does not form part of Porter's Diamond?
  - a) Firm's strategy, structure and rivalry.
  - b) Demand conditions
  - c) Related and supporting industry
  - d) None of the above



THE UNIVERSITY OF ZAMBIA  
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES  
DEPARTMENT OF ECONOMICS  
2015/2016 FINAL EXAMINATION

DATE: 21<sup>TH</sup> SEPTEMBER, 2016

BBA 2122: BUSINESS ENVIRONMENT

TIME: THREE (3) HOURS

**INSTRUCTIONS:**

1. The Paper has a Total Number of Six (6) Questions.
2. Section A has Two (2) Questions; Answer Both.
3. Section B has Four (4) Questions; Answer ANY Two (2).
4. Marks Allocation Indicates the Depth of the Answer Expected.

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**SECTION A – *COMPULSORY***

**QUESTION ONE**

You are the Business Analyst for Top Brass Energy Drink Ltd. The company has been in existence for seven (7) year now producing the Top Brass Energy Drink which has been a success story and currently one of the leading brands on the Zambian energy drinks market. The company is considering developing an extension product to its core business to be known as Slim Fit Drink, a solution to obesity. The Chief Executive Officer has instructed you to collaborate with consultants and carry out an external analysis of business prospects for the new product in the two regions of Lusaka and Copperbelt as the first target markets. You have a number of tools at your disposal that you are contemplating using to carry out the market analysis and among them is Porter's Five Forces.

Describe the Porter's Five Forces as an analytical tool and explain the relevance of each of the specific areas you wish to consider in the development of the new product. **(25 Marks)**

**QUESTION TWO**

Competitive analysis provides both an offensive and defensive strategic context to identify opportunities and threats and one of the key steps to take in analysis is profiling.

Comprehensively discuss the strategic rationale of undertaking a competitor profiling and give a detailed analysis of all the relevant factors to consider. **(25 Marks)**

## **SECTION B – ATTEMPT ANY TWO (2) QUESTIONS**

### **QUESTION THREE**

The scope of a private business and the extent of government regulation of economic activities depend to a very large extent on the nature of economic system, which is an important part of business environment.

Critically discuss the two extremes of economic systems and how they impact on business.

1. Capitalism **(15 Marks)**
2. Communism **(10 Marks)**

### **QUESTION FOUR**

- A. Whatever the nature and scale of operations, any business enterprise possesses certain common characteristics. Discuss any five business characteristics. **(15 Marks)**
- B. Business comprise all activities from production to distribution of goods and services. Compare and contrast between Industry and Trade as two segments of business activities. **(10 Marks)**

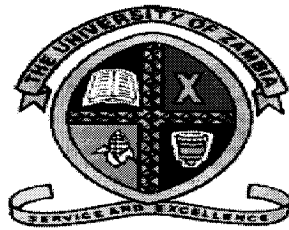
### **QUESTION FIVE**

Critically discuss the five (5) stages of the technology adoption process a Zambian company in the cement manufacturing industry would take to exploit a new innovation on the market. **(25 Marks)**

### **QUESTION SIX**

- A. Discuss the reasons why it is necessary for companies to monitor their technological environment. **(9 Marks)**
- B. Explain any four (4) evaluation characteristics of innovation. **(8 Marks)**
- C. Discuss the characteristics of individual adopters of innovation as postulated by Ryan and Gross (1943). **(8 Marks)**

**END OF THE EXAMINATION**



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**DEPARTMENT OF ECONOMICS**  
**2015/2016 DEFERRED EXAMINATION**

**DATE: 14<sup>TH</sup> OCTOBER, 2016**

**BBA 2122: BUSINESS ENVIRONMENT**

**TIME: THREE (3) HOURS**

**INSTRUCTIONS:**

- 1. The Paper has a Total Number of Four (4) Questions, Answer All.**
  - 2. Marks Allocation Indicates the Depth of the Answer Expected.**
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**QUESTION ONE**

Citing practical examples, discuss the concept of Dynamism in Technology and give the advantages and disadvantages. **(25 Marks)**

**QUESTION TWO**

Everett Rogers argues that diffusion is the process by which an innovation is communicated over time among the participants in a social system. In as far as diffusion of technology is concern, comprehensively discuss the characteristics of:

- A. Innovations (10 Marks)**
- B. Individual adopters (8 Marks)**
- C. Organisations (7 Marks)**

**QUESTION THREE**

In relation to factor markets, with examples discuss the following:

- A. Factor Demand (5 Marks)**
- B. Factor Supply (5 Marks)**
- C. Monopsony (5 Marks)**
- D. Oligopsony (5 Marks)**
- E. Monopsonistic Competition (5 Marks)**

**QUESTION FOUR**

Using classical theories, describe the impact of international trade on the manufacturing sector in Zambia. **(25 Marks)**

**END OF EXAMINATION**

**THE UNIVERSITY OF ZAMBIA**  
**SCHOOL OF HUMANITIES AND SOCIAL SCIENCES**  
**DEPARTMENT OF ECONOMICS**

**BBA 2123: BUSINESS COMMUNICATION**

**Quiz One (1)**

**29<sup>th</sup> August 2016**

**INSTRUCTIONS**

There are fifteen (15) questions in this quiz, Answer all by circling the correct answer

Ensure You Fill in All Your Personal Details Correctly on the Face of the Question Paper

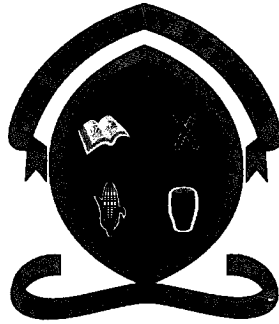
**Student Names:**.....

**Student ID:**.....

1. Very often, which message is more important than the verbal one?  
(a) Loud      (b) written      (c) non-verbal
  
2. Listeners pays heed to the verbal content  
(a) 7%      (b) 38%      (c) 55% of the time
  
3. In listening it is important to give attention to  
(a) What is said      (b) what isn't said      (c) the non-verbal  
(b) All the earlier stated points
  
4. Semantic problem relates to  
(a) Badly expressed manage      (b) Meaning associate with words  
(c) Intention of the speaker      (d) all the three
  
5. In written communication the maximum amount of time should be spent in  
(a) Pre-drafting      (b) drafting      (c) post-drafting      (d) all the three



6. The most important task ahead of the interviewer is to  
(a) Listen carefully (b) formulate effective questions  
(c) Make the interviewee comfortable (d) all the three
7. For a persuasive text the tone of the writing needs to be  
(a) Pleading (b) commanding (c) convincing (d) all the three
8. When writing a text for the purpose of reflection or collaboration, the style and the tone should be  
(a) Active (b) convincing (c) commanding (d) all the three
9. Interpretation of data is followed by  
(a) Recommendations (b) suggestions (c) conclusions (d) none of the three
10. In an analytical report there is  
(a) Identification of the problem (b) analysis (c) interpretation  
(d) All of three
11. The difference between a memo and a letter is in the  
(a) Tone and style (b) message (c) addressee (d) none of the three
12. The tone of the circular and notice is in the form of  
(a) Command (b) request (c) order (d) none of the three
13. The arrangement of requests in a letter should be logical and coherent with the  
(a) Most important point (b) details (c) purpose stated first (d) all the three
14. Ability to communicate effectively  
(a) Is inborn (b) can be developed (c) cannot be developed (d) none of the three
15. The receiver and the decoder are one and the same person.  
(a) True (b) False



**UNIVERSITY OF ZAMBIA**  
**GRADUATE SCHOOL OF BUSINESS**  
**INTERNATIONAL BUSINESS ENVIRONMENT** BBA: 2122

***Instructions***

*There are five (5) questions in this paper*

*Answer any three (3)*

*Duration three (3) hours*

**Question One**

Discuss any four (4) possible market entry methods for a large UK firm considering entering the Zambian market, bring out any two advantages and one disadvantage for each entry mode. **(20 marks)**

**Question Two**

What is Technology? Explain the benefits and costs associated with Technology revolution. Give examples of modern technology in your answer. **(20 marks)**

**Question Three**

Outline the elements of culture. Explain potential cultural factors a firm needs to be aware of before entering a foreign market. **(20 marks)**

**Question Four**

- a) Distinguish between capitalist and socialist economic systems. **(8 marks)**
- b) Describe four different types of regional economic integration and give an example of each type. **(12 marks)**

**Question Five**

Define Political Risk. Outline the sources of political risk and how firms can manage these risks. **(20 marks)**



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GRADUATE SCHOOL OF BUSINESS  
2016/2017 ACADEMIC YEAR  
FINAL EXAMINATIONS  
OSM 5032: COMMERCIAL MANAGEMENT OF PROJECTS  
MAY/NOVEMBER 2016 COHORT

Date: 16<sup>th</sup> February, 2018

Time: 14:00hrs

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INSTRUCTIONS FOR CANDIDATES

Time Allowed: Three (3) Hours

- Instructions:
1. Answer **Question 1** and any Other **Three (3)** Questions
  2. Show All Essential Working
  3. Tables will be provided
  4. Calculators are Allowed
-

## Section A-Compulsory [Total 40 Marks]

### Question 1

Docatel Systems is responsible for the design and Build of a new integrated enterprise resource planning system for a client, LIV Products Ltd. The cost of the system was estimated to be K2.1 million and to take 6 months to complete. However, there have been a number of difficulties associated with the contracts management of the project. The scope of the system has had to change, following a major reorganisation of LIV Products and outsourcing of its manufacturing division to a firm in South Africa. As a consequence, costs have escalated and, after an extended contract programme of an additional six months, the system is still not operational.

The managing director of LIV Products has lost all confidence with Docatel and has now decided to cancel the contract after having paid interim invoices to the value of K600,000.00. Docatel System is now threatening to sue LIV Products for the value of work done, which amounts to K1.7 million.

Docatel System is concerned about taking this dispute through the courts of law and looking to resolve this matter amicably.

It is expected that Liv Product's projected cash flows are as shown in the table below:

Year	Cash inflow K 000	Cash Outflow K 000
0	-	5,500
1	3,000	1,456
2	4,000	1,200
3	5,234	1,654
4	4,320	2,876
5	3,264	3,200

(Note that, by convention, the initial investment in a project is treated as arising at the end of year 0', that is, now)

- Find the net present value and advise on whether the project should be undertaken. The initial capital investment is given as K5.5 Million and the discount rate is 7% (10 marks)
- Using the same figures in (a) above, assume that the initial costs are increased by 20% and that the cash inflows are reduced each year by 20%. How would you assess the investment? (5 marks)
- Payback method is one of the methods used to appraise a project. Give an example of the type of investment/project which can typically be appraised using this method and advise why it would be preferred (5 marks)

- d) Suggest at least three ways which the two parties can use to resolve this dispute highlighting the characteristics of each and how they differ? (15 marks)
- e) State the advantages of using the above informal methods of resolving disputes (5 marks)

## Section B [Answer any Three Questions]

### Question 2

- a) Define Political Risks in Projects (2 mark)
- b) List and explain the types of Political Risks faced in financing of projects (10 marks)
- c) Having been appointed as a Project Manager for a company intending to conduct a feasibility study for the proposed construction of a 200 km Dual Carriage way in Zambia under a PPP project, identify four risks that you might face and the respective risk assessment tools that you will use to assess the risks so identified risks (8 marks)

### Question 3

List and discuss the Five common causes of failure of Procurement related Contracts in Zambia (20 marks)

### Question 4

- a) Identify and discuss the major phases of managing a project (15 marks)
- b) Briefly describe what PRINCE2 is and its use in project management (5 marks)

### Question 5

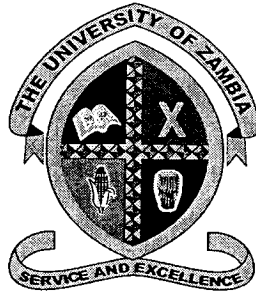
Identify, compare and contrast the content and the relative usefulness of the three primary published financial accounting statements from the perspective of a Project Procuring Entity assessing the financial strength of a potential supplier or vendor (20 marks)

### Question 6

More insight in the financial performance and financial position of projects or organisations can be gained by analysing the various financial statements by means of financial ratios.

- a) Give the five major categories of financial ratios and explain the importance of interpreting of these ratios (20 marks)

\*\*\*\*\*END OF EXAMINATION\*\*\*\*\*



**THE UNIVERSITY OF ZAMBIA  
THE GRADUATE SCHOOL OF BUSINESS  
UNDERGRADUATE FINAL EXAMINATION  
JULY AND FEBRUARY 2016 COHORTS.**

**SEM 3022: Managerial Economics**

**INSTRUCTIONS TO CANDIDATES:**

1. Answer **ALL** Questions **SECTION A** and any **Two (2)** questions in section **B**.
2. **DURATION: 3 Hours.**
3. **Scientific Calculators are ALLOWED.**

## SECTION A

(Answer all questions in this section)

### QUESTION ONE

(15 marks)

- (a) Alex paid K60,000 for a tie belonging to Late President M. Sata during a fundraising dinner for the under-privileged in Zambia. He outbid several participants who wanted a chance to get the popular tie. Does this situation best represent producer-producer rivalry, consumer-consumer rivalry or producer-consumer rivalry? Please Explain

(2 marks)

- (b) Suppose that the total benefits and total costs from an activity are, respectively given by the following equations:

(8 marks)

$$B(Q) = 250 + 25Q - 4Q^2 \quad \text{and} \quad C(Q) = 100 + 8Q$$

- (i) What are the net benefits when  $Q = 1$  and when  $Q = 5$ ?
- (ii) What are the marginal net benefits when  $Q = 1$  and when  $Q = 5$ ?
- (iii) What level of  $Q$  maximizes the net benefits?
- (iv) At the level of  $Q$  that maximizes the net benefits, what is the value of the net benefits?
- (c) Explain the major determinants of price elasticity of demand.

(5 marks)

### QUESTION TWO

(15 marks)

- (a) Janet spends K40,000 per year on painting supplies and storage space. She recently received two job offers from famous marketing firms—one offer was for K60,000 per year and the other was for K45,000 per year. However, she turned down both jobs in order to continue a painting career. If Janet sells 5 paintings per year at a price of K20,000 each:

(i) What are her accounting profits? (3 marks)

(ii) What are her economic profits? (3 marks)

(iii) Was her decision to turn both jobs down rational? (3 marks)

(iv) Explain the difference between Economic profits and Accounting profits. Why is it important to consider economic costs when analysing a managerial decision?

(6 marks)

## SECTION B

Choose Two (2) question from this section

### QUESTION THREE

(15 Marks)

- (a) The following non-linear demand function is for Television sets in Lusaka:

$$Q_x^d = P_x^{-0.35} P_y^{2.5} M^{0.3}$$

- (i) Transform the demand function into its logarithmic form. (3 mark)
- (ii) What is the price elasticity of demand and the cross-price elasticity of demand? (3 marks)
- (iii) Explain the major determinants of price elasticity of demand. (3marks)

(b) Consider the following demand function for a firm's product:

$$\ln Q^d = 4 - 0.5 \ln P_x - 2.6 \ln P_y + \ln M + 3 \ln A$$

Where;  $P_x = 10$ ,  $P_y = 4$ ,  $M = 20,000$  and  $A = 250$

- (i) Determine the own price elasticity of demand, cross-price elasticity of demand and income elasticity of demand. (3 marks)
- (ii) How would a 50 percent increase in A affect the quantity demanded? (3 marks)

#### QUESTION FOUR

(15 Marks)

(a) Consider the following demand function:

$$P = 100 - 0.25Q$$

If the firm has a constant marginal cost of 15, answer the following:

- (i) What is the perfectly competitive optimal output and price? (3 marks)
  - (ii) Find the optimal price and Output assuming the firm is a monopoly. (3 marks)
  - (iii) Show that a monopoly earns more profits as compared to a perfectly competitive firm? (3 marks)
  - (iv) How would a firm with insignificant product differentiation compare with the solutions above? (3 marks)
- (b) Two firms, A and B, are playing a price setting game in which each player has the option of setting a high or low price. If both firms set a low price, they earn only normal profits and if both set a high price, the dominant firm, firm A, earns \$30,000 while the other firm earns \$ 20,000. If the firms decide to use different strategies, the one which sets a high price will make losses of \$15,000 while the other will earn \$ 60,000 if its firm A and \$40,000 if it is firm B which is less dominant.
- (a) Represent this game using normal form. (3marks)
  - (b) Is the Nash equilibrium of the game equivalent to the secure strategy equilibrium? (3 marks)



## QUESTION FIVE

(15 Marks)

- (a) Appleway Industries produces apple juice and sells it in a competitive market. The firm's manager must determine how much juice to produce before he knows what the market (competitive) price will be. Economists estimate that there is a 35 percent chance the market price will be \$2 per gallon, a 40 percent chance it will be \$1.5 and a 25 percent chance it will be \$1 when the juice hits the market. If the firm's cost function is

$$C = 200 + 0.002Q^2$$

- (i) How much juice should be produced to maximize expected profits? (3 marks)
- (ii) What are the expected profits of Appleway Industries? (4 marks)
- (b) Investigate the prospects and challenges faced by managerial Economists owing to Globalization and technology computerization. Use a Zambia company as an example. (8 marks)

**END OF EXAMINATON**