

TITLE OF PAPER : BUSINESS ENVIRONMENT
DEGREE AND YEAR : B.COM, YEAR 1
COURSE CODE : BA 111
TIME ALLOWED : THREE (3) HOURS
INSTRUCTIONS :
1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)
2. THE CASE STUDY ON SECTION (A) IS COMPULSORY. TOTAL MARKS POSSIBLE: 40 MARKS
3. ANSWER ANY THREE QUESTIONS FROM SECTION (B): TOTAL MARKS POSSIBLE: 60 MARKS

NOTE: MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH AND FOR ORDERLY PRESENTATION OF WORK

DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR HAS GRANTED PERMISSION

SECTION A

As Mr. Methula, the Managing Director of Zimbabwe Focus Trading House lay in hospital, his mind was on the stock that needed to be collected from suppliers before the end of the day. He remembered the special order of protective clothing that had been made by Good Cuts Butcheries the previous day and reached out for his phone to call his Deputy Managing Director to remind him. The pain hit him just as his hand closed over the phone, reminding him of where he was. He lay still for a while with his eyes closed thinking about how close he had come to dying when he collapsed from a mild heart attack during the salary increases negotiations with the staff union.

His eyes flew open as he remembered how he had argued with staff members over what they perceived to be low salaries and how he felt that these were justified by the staff problems the shop had continued to experience in the past year, leading to low productivity and income. The salary increases had not been at par with the galloping inflation rate and most people in the country had to make do with an equivalent of less than 50% of their previous income, in terms of purchasing power. More than 30% of the staff members were frequently absent from work, relationships between management and staff were strained. In addition, a few bad apples had taken to coming to work drunk, and the “smokers club” members as smoking workers were affectionately known, were spending more time in the smokers lounge than in the shop. Tempers had really flared at the last meeting.

Mr. Methula realised that he could not do much to improve the country’s economy but decided that he had to do something to reduce the stress levels in the company.

Questions

- (a) Define stress in the workplace, discuss the causes and signs of stress at Zimbabwe Focus trading House (20 marks)
- (b) What can Mr. Methula do to curb the level of employee stress at the Zimbabwe Focus Trading House? (20 marks)

SECTION B

1. The world is faced with very grave challenges in relation to the changes and impact of business activity on the natural environment. Climatic changes which are caused by air pollutants generated by business activity are a good example. Explain why corporations should be concerned about the natural environment and discuss the approaches that businesses can adopt to deal with the natural environment challenges. (20 marks)
2. Economic systems relate to a set of methods and standards by which society decides and organizes the allocation of limited economic resources to satisfy unlimited human wants. Distinguish between the communist and free market systems using the following criteria. (20 marks)
 - Ownership of factors of production
 - Profit
 - Competition
 - Consumer choice (2 marks)
 - Key advantages and disadvantages
3. Explain the indicators and impact of drug abuse amongst employees in the workplace and the key challenges of workplace testing. (20 marks)
4. Define Corporate Social Responsibility (CSR) and discuss the strategies that companies may pursue to attain CSR objectives. (20 marks)