02. -BUSINESS AND ITS ENVIRONMENT

The topic entails;

(i) **Meaning and purpose of a business**

(ii) **Explain Business environment with clear distinction between internal and external business environments.**

(iii) **Understanding of what makes up a healthy business environment.**

1. Identify the importance of the following types of environment to a business.

   i) Intermediaries
   ii) Technological
   iii) Demographic
   iv) Competitors

2. State **four** environmental effects that may result from the depletion of Kenya's forest cover

3. Name the internal environments whose effects are described by the following statements:

	EFFECT	**INTERNAL ENVIRONMENT**
(a)	Allows duties to be allocated to the right people thus resulting in higher productivity	
(b)	Helps the business achieve its objectives e.g. higher production level of goods and services	
(c)	Makes employees to acquire norms and code of conduct that is acceptable to all	

4. Outlin**e four** ways in which the government creates enabling environment for business

5. Mr. Mirugi has opened a retail outlet at Lukoye Trading centre. Advise him on **four** ways of

   creating an enabling business environment for the prosperity of his business

6. Mention **four** benefits of recycling waste production

7. Outline **four** adverse effects of production activities on environment and community health

8. Outline **four** elements that may comprise the internal environment of a business

9. The table below contains various categories of members of the society. In the spaces provided

indicate the activity of social responsibility that a firm should undertake to each group

Category	**Activity of social responsibility**
a) Employees	
b) Customers	
c) Community	
d) Owners	

10. Give **four** ways in which Arid lands can be made more productive in any given country