

UGANDA MARTYRS UNIVERSITY

NKOZI

UNIVERSITY EXAMINATIONS
FACULTY OF BUSINESS ADMINISTRATION
DEPARTMENT OF ECONOMICS

MANAGERIAL ECONOMICS I / MICRO ECONOMICS I

ECO 1101

BAM I, BSC ACC & FIN I, BPSCM I, BIBM I, BAMF I

DATE: Thursday 15 December 2022

TIME: 09:30AM – 12:30PM

Instructions:

1. Attempt any **FOUR (04)** questions
 2. All questions carry equal marks
 3. Do not write anything on the questions paper.
 4. Carefully read through **ALL** the questions before attempting.
 5. No names should be written anywhere on the examination booklet.
 6. Ensure your work is clear and readable. Untidy work shall be penalized.
 7. Any type of examination Malpractice will lead to automatic disqualification.
 8. Ensure that your ID number is indicated on all pages of the examination answer booklet.
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Question One

You have graduated from university and now you are working as a manager of a newly established Foot wear company, with practical examples, explain how this course unit is helping you in performing your duties. (25 Marks)

Question Two

John having started a juice bottling business he has maintained the quality of the juice unfortunately of recent the quantity of his daily customer's orders has started declining;

- a) With the help of a relevant diagram, explain this customer's behaviour (14 Marks)
- b) Suggest the possible strategies for reversing this customer's behaviour. (11 Marks)

Question Three

As a business expert you have been approached by a trade dealing in new clothes whose prices are fixed but the number of orders made by her customers keep varying from time to time.

- a) With an appropriate diagram, illustrate this situation for your client. (10 Marks)
- b) Help your client to understand the conditions which could be leading to this market situation. (15 Marks)

Question Four

Having joined University, you have realized that you have a lot of free time before and after lectures. Being a student of Economics, you have come up with an idea of starting a business to make use of this idle time. With clear evidence, show the relevancy of Economic Questions at this stage. (25Marks)

Question Five

Currently the price of fuel has reduced but the media houses keep reporting that its demand has increased by a smaller proportion compared to the proportion of price decrease. As an expert

- a) Use a clear diagram to illustrate this situation. (10 Marks)
- b) Explain the factors that could have led to this situation. (15 Marks)

Question Six

As a manager of an expanding super market, your directors have decided to open up branches across the country.

Using an appropriate illustration, caution your directors on the likely benefits and costs that are to accrue to the business due to their decision. (25 Marks)

END