



Kasarani Campus
Off Thika Road
Tel. 2042692 / 3
P. O. Box 49274, 00100
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel. 4442212
Fax: 4444175

KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
SECOND YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF BUSINESS
INFORMATION TECHNOLOGY

Date: 14th December, 2023
Time: 11.30am –1.30pm

KBA 2205 - BUSINESS PLANNING AND MANAGEMENT

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Read the following case study and answer the questions that follow.

Malanga Company Limited was registered in 2015 with Mwakisha as its first CEO. At inception the company started operating at a low note and has almost remained stagnant in regard to profit growth for the last seven years. For the period the company has remained in operation there is no trace of any planning document or any record of the company's objectives or any evidence of attempts to conduct advertising to enter the market to capture more clients. This could be the reason accounting for the stagnation of the company in regard to growth. The tenure of the Board of Directors who were appointed in 2015 when the company started expired in 2022. The new Board of Directors have challenged the CEO Mr. Mwakisha over the stagnation of the company's growth. The CEO has been directed to conduct the following analysis in pursuit to reverse the stagnation trend.

- SWOT analysis
- PESTEL analysis
- Customer analysis
- Competitive analysis

The board of directors have advised the CEO develop appropriate pricing and advertising strategies. The CEO has appointed four committees to conduct its own analysis and report their findings in two weeks' time. Each committee is expected to conduct one analysis

- a) Explain to Mr. Mwakisha the importance of developing the business objectives. (6 marks)
- b) Discuss the reasons why Mr. Mwakisha should conduct SWOT analysis (6 marks)
- c) Examine the characteristics of customers that the customer analysis is likely to reveal. (6 marks)
- d) If you were hired by the company's CEO to prepare a business plan for the company, explain the key sections you will include in the company's business plan. (6 marks)
- e) Advise Mr. Mwakisha on any four common market entry strategies. (4 marks)
- f) Discuss any two pricing strategies which Mr. Mwakisha should introduce in the company. (2 marks)

QUESTION TWO (20 MARKS)

- a) Examine how you can go about conducting competitive analysis. (5 marks)
- b) If you were hired as a trainer for business executives in regard to preparation of a business plan, explain your main points of reference in your topic in regard to logical guidelines of preparing an effective business plan. (8 marks)
- c) Discuss the benefits of organization structure. (7 marks)

QUESTION THREE (20 MARKS)

- a) Discuss the potential risks faced by many business organizations. (8 marks)
- b) Examine any six ways of motivating employees. (6 marks)
- c) Explain any six factors that should be considered when making a choice of distribution channel (strategy). (6 marks)

QUESTION FOUR (20 MARKS)

- a) Customer service strategy is of critical importance in regard to handling customer interactions. Discuss any four customer service strategies which will promote consistent customer experience throughout the customer journey. (8 marks)
- b) Examine the basic functions of management. (5 marks)
- c) Explain the importance of mission statement to a business organization. (7 marks)

QUESTION FIVE (20 MARKS)

- a) Using suitable diagram explain the following terms.
 - i) Fixed cost (2 marks)
 - ii) Variable cost (2 marks)
 - iii) Semi variable cost (2 marks)
- b) The following information was obtained from the financial records of ABC company limited as 31/12/2021

Motor vehicles	300,000
Furniture and fittings	90,000
Creditors	50,000
Debtors	80,000
Cash at hand	10,000
Stock	50,000
Bank overdraft	40,000
Net Profit for the year	200,000
Accrued expenses	10,000
Prepaid expenses	20,000
Average shareholders' equity	1,000,000

Required

- Return on assets (2 marks)
- Return on equity (2 marks)
- Working capital (2 marks)
- c) Discuss any six merits of partnership as a form of business organization. (8 marks)