

The  
Management  
University  
of Africa



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DIPLOMA UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DIPLOMA COMMON UNIT

DCU 108 : BUSINESS PLAN

DATE: 30<sup>TH</sup> MARCH 2022

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

## QUESTION ONE

**Read the Case Study below carefully and answer the questions that follow:**

Rani is a business expert and consultant from Harvard University in the department of Harvard Business School. She is an accomplished scholar and a practicing consultant on matters business at all levels (individual and corporate levels). For close to five years, she has consulted for more than twenty reputable companies both locally and internationally. Her strong areas are: business incubation and mentoring young entrepreneurs on business plan and implementation. Rani and company have an operational office in Dubai and Nairobi, Kenya.

A few weeks ago, she was approached by Governors under one economic block (NOREB) in Kenya, to offer training and mentor young entrepreneurs on matters business planning and growth. She took the challenge with gratitude and quickly assembled her tools for the workshop. The first meeting revolved around the expectations of the participants, meaning and purpose of the business plan. This was so vital since it was a precursor to delving into the major techniques of developing a business plan. This was pegged on the development of a business planning while integrating with other functional departments and consequently cautioned them on the major pitfalls of business failures. The hands-on development of the business plan among the entrepreneurs were an exciting venture and skillful.

During the closing of the workshop, which took four days, all the hosting governors converged at the venue and could not hide their joy and gratification. This was a milestone towards economic empowerment among the youths in the region. They appreciated the consultant and the entire participants. It was unanimously agreed that they (governors) will inject 10 million as a gesture of fast tracking the new business plans that were generated and anyone had a right to access the funds for development. At the end of the day everyone was contented with the consultant's skillful mentorship program.

required

- a) Define Business Plan. (2marks)
- b) Outline and expound on THREE purposes of business plan and information needed before writing a business plan. (8marks)
- c) Using relevant examples for each, discuss the essential guidelines for developing an effective business plan as captured by the consultant. (10marks)
- d) Discuss any FIVE essential content (outline) of an effective business plan. (10marks)

QUESTION TWO

- a) Distinguish between objectives and goals of the business plan. (4marks)
- b) Evaluate SIX essential ingredients necessary when preparing a business description. (6marks)

QUESTION THREE

- a) Discuss FIVE characteristics of decision strategy in business plan. (5marks)
- b) Complete the abbreviated word S.M.A.R.T and explain each as applied in business plan objectives. (5marks)

QUESTION FOUR

- a) Explicate using relevant examples any FIVE sources of environmental information when developing a business plan. (5marks)
- b) Examine any five Factors on the general environment that influence business plan. (5marks)

**QUESTION FIVE**

- a) Explain FIVE key reasons for preparing marketing plan. (5marks)
- b) Assess any FIVE types of organization structure. (5marks)

**QUESTION SIX**

- a) Evaluate FOUR major functions of Human Resource Management (4marks)
- b) Distinguish between production and operation plan. (2marks)
- c) Evaluate any FOUR reasons why some business plans fail. (4marks)