

**PAN AFRICA CHRISTIAN UNIVERSITY
EXAMINATIONS PAPER**



PAN AFRICA CHRISTIAN UNIVERSITY

BACHELOR OF BUSINESS INFORMATION TECHNOLOGY

END OF SEMESTER EXAMINATION JANUARY - APRIL 2024

DEPARTMENT: COMPUTING AND INFORMATION TECHNOLOGY

COURSE CODE: BIT 310

COURSE TITLE: BUSINESS PLAN DEVELOPMENT

CAMPUS: ROYSAMBU

EXAM DATE:

TIME: 5:30 AM - 8:30 PM

INSTRUCTIONS

- This exam script has **TWO (2)** sections.
- Read all questions carefully before attempting.
- Answer All questions in Section **A** and any other Three questions in Section **B**.

SECTION ONE

QUESTION ONE

Grace was an employee of XYZ Company that went bankrupt thus rendering her jobless. She wants to venture into entrepreneurship as she feels that she can thrive in it. She plans on running a pizza inn in her neighborhood. .

- a) Explain **TWO** reasons why Grace is thinking of setting up the above business **(4 Marks)**
- b) Explain **THREE** reasons why a business plan is important for Grace before she starts her business **(6 Marks)**

SECTION TWO

QUESTION TWO

Kimani lives in the village where villagers have little access to clean water. He is thinking of digging a borehole and supplying water to the villagers. There are other suppliers of water that use donkey carts for their supplies.

- a) Explain **THREE** competitive advantages that Kimani has over the other suppliers of water? **(6 Marks)**
- b) State **FOUR** business characteristics that Kimani may want to consider before starting his business. **(4 Marks)**

QUESTION THREE

- a) As an entrepreneur, explain **THREE** circumstances you would need to prepare a business plan. **(6 Marks)**
- b) Outline **FOUR** characteristics of a good business opportunity **(4Marks)**

QUESTION FOUR

- a) There are **FOUR** environmental trends that are most instrumental in creating business opportunities. Outline these environmental trends. **(4Marks)**

- b) Idea generation is essential in preparation of a business plan. Explain **THREE** common methods of generating a business idea.
(6Marks)

QUESTION FIVE

- a) As an entrepreneur, generation of reports is important. Explain **THREE** reports you will need to generate when operating your business (6 Marks)
- b) As an entrepreneur, you will need to do marketing of your product or services. Discuss any **TWO** marketing communications strategy you can use when running your business.

(4

Marks)

QUESTION SIX

Felister and Mary are friends. They want to set up a photography business. They would take pictures at weddings, birthdays and other special events. Based on their primary market research, Felister believes there is enough demand. Mary has produced a business plan which shows they need KSh80,000 for a shop and Ksh 40,000 for equipment. They plan to spend Ksh 5,000 on promotion, but cannot agree on the best method to use.

- a) Explain **TWO** possible sources of finance that they could use to obtain the equipment. (4 Marks)

- b) Describe the type of company Felister and Mary have and any **TWO** characteristics? (6Marks)