PAN AFRICA CHRISTIAN UNIVERSITY
BACHELORS OF BUSINESS LEADERSHIP
END TERM EXAMINATION
DEPARTMENT: BUSINESS

COURSE CODE: BUE3213

COURSE TITLE: SMALL BUSINESS MANAGEMENT& DEVELOPMENT

Time: 17:30HRS-20:30HRS

ANSWER FOUR QUESTIONS ONLY {10 MARKS EACH}

SECTION A

QUESTION ONE { COMPULSORY} {10 MARKS}

a) Describe the following types of customers

i. Loyal Customers **(2mks)**

ii. Discount Customers **(2mks)**

b)Your cousin Rose started a small business but after one year of its operation, her business begun to fail. Explain **three** possible reasons for this state of affairs **(6mks)**

SECTION B: ANSWER THREE QUESTIONS ONLY {10 MARKS EACH}

QUESTION TWO 10 MARKS

a) When planning to come up with a business, you have to take advantage of the weaknesses of your competitor. Discuss **four** competition weaknesses you would take advantage of **(4mks)**

b) Organizing and operating a business is not easy for many people. Explain **three** problems anyone planning to set up a small business is likely to face **(6mks)**

QUESTION THREE 10 MARKS

a) Outline **two** factors you would consider when setting the size of a promotional budget for your business **(2mks)**

b) Your friend Andrew who runs a small business reached out to you seeking information on the importance of setting business objectives for managing and developing his business. Discuss **two** of the reasons you offered to him **(4mks).**

c) You have been asked to give a presentation on **two** factors which would affect the selection of the location for your new business. Discuss the **two** factors **(4mks)**

QUESTION FOUR 10 MARKS

a) Customer Relationship Management is a comprehensive approach for creating, maintaining and expanding customer relationships. Discuss **four** different ways you would ensure loyalty from your customers **(4mks)**

b) You have been asked to prepare a presentation on different sources of finance for your business that you would consider. Explain **three** of these sources **(6mks)**

QUESTION FIVE 10 MARKS

a) Discuss **two** factors you would consider before obtaining finance for your business **(4mks)**

b) Giving **three** examples in each case, differentiate between direct and indirect costs **(6mks)**

QUESTION SIX 10 MARKS

a) Citing relevant examples describe **two** types of operational risks you are likely face in your small business **(2mks)**

b) Describe **two** emerging trends in Small business development today
(2mks)

c) Explain **three** benefits of customer relationship management to a telecommunication company

(6mks)

End of exam