



**PAN AFRICA CHRISTIAN UNIVERSITY
END OF SEMESTER EXAMINATION FOR THE DEGREE
OF BACHELORS OF COMMERCE**

BACHELOR OF BUSINESS LEADERSHIP

DIPLOMA IN ENTREPRENEURSHIP MANAGEMENT

MAY-AUGUST 2017

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS

COURSE CODE: BUE3213 | DENT0214

COURSE TITLE: SMALL BUSINESS DEVELOPMENT.

EXAMINATION DATE: TUESDAY 24th JULY 2017

TIME: 9.00AM-12.00PM

INSTRUCTIONS

- Write your **student number** on the answer booklet provided.
- Read the questions carefully before attempting.
- This exam script consists of **six (6)** questions.
- Answer **question one (compulsory)** and **any other four (4)** questions.

QUESTION ONE

- (a) Explain five reasons why we should take interest in small businesses. **(10 Marks)**
- (b) As a nascent entrepreneur, explain five strengths you are likely to have. **(10 Marks)**
- (c) Explain seven out of the fourteen (14) principles of management as proposed by Henri Fayol.
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(14 Marks)
- (d) Discuss three advantages of a family business. **(6 Marks)**

QUESTION TWO

- (a) Define direct costs of a business and discuss two subgroups that compose these costs.
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(7 Marks)
- (b) If a cash flow plan shows that the business is likely to run out of cash at any one time, outline four measures you would take as the entrepreneur to:
- i. Increase cash inflows. **(4 marks)**
 - ii. Decrease cash outflows. **(4 marks)**

QUESTION THREE

Briefly discuss five types of organizational structures. **(15 marks)**

QUESTION FOUR

- (a) Explain three benefits that a business would derive from having good policies and procedures in place. **(6 Marks)**
- (b) Juma is an entrepreneur who is looking for a suitable location for a supermarket business. Advise him on three important factors to consider when selecting the business location.
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(9 Marks)

QUESTION FIVE

- (a) Briefly explain the employee orientation process. **(5 Marks)**
- (b) Discuss five ways in which you can make the best use of time in your business. **(10 Marks)**

QUESTION SIX

- (a) Some business owners are reluctant to delegate some responsibilities to their employees. Explain:
- (i) Three reasons why this is the case. **(6 Marks)**
 - (ii) Two reasons why they should. **(4 Marks)**
- (b) Briefly explain five characteristics of appropriate technologies for a small business
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(5 Marks)