



PAN AFRICA CHRISTIAN UNIVERSITY

SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

END OF SEMESTER EXAMINATION FOR THE DEGREE OF

BACHELOR OF ARTS IN COMMUNITY DEVELOPMENT

MAY-AUGUST 2019

CAMPUS: ROYSAMBU

DEPARTMENT: COMMUNITY DEVELOPMENT

COURSE CODE: CDC413

COURSE TITLE: SMALL & MEDIUM ENTERPRISES

EXAM DATE: FRIDAY 9th AUGUST 2019

DURATION: 3 HOURS

TIME: 11:30AM-14:30PM

MODE: ONLINE

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- **Answer question ONE and any other TWO questions**
- *ALL PAC University's examination rules and regulations apply*

SECTION A (Compulsory)

Question one: (20 marks)

- a) Give five benefits of using a business plan in SME (5 Marks)
- b) Explain five key characteristics of an SME friendly environment (5 Marks)
- c) Highlight five reasons why record keeping is important in a business (5Marks)
- d) Considering that it is expensive to start and run a new business, explore five areas where a business owner may save on cost and maximize on limited resources (5 Marks)

SECTION B (Answer two questions)

Question Two

- a) Discuss five major benefits an SME owner hopes to get by marketing his/her business (5 Marks)
- b) Suggest five challenges that may be encountered while trying to market a business (5 Marks)

Question Three

- a) Outline five ways a business can increase its efficiency and productivity through technology (5 Marks)
- b) Discuss five challenges a business is likely to encounter while embracing technology. (5 Marks)

Question Four

- a) Examine five ways an SME in Kenya is likely to benefit from Kenya being in a trade agreement / ties with its neighboring countries.(5 Marks)
- b) Explain five limitations SMEs could face by their country refusal to enter into trade agreements with other countries (5 Marks)

c) QUESTION FIVE

- a) Outline five challenges of managing Human Resource in SME (5 Marks)
- b) Examine five best practices small business enterprises can adopt to be tax compliant (5 Marks)