



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2018/2019 ACADEMIC YEAR

**SECOND YEAR SECOND SEMESTER EXAMINATION FOR, DIPLOMA
IN BUSINESS MANAGEMENT**

BCB 050 – BUSINESS PLANNING

DURATION: 2 HOURS

DATE:

TIME:

Instructions to candidates:

1. Answer question One and Any Other Two questions
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A: ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE (30 MARKS)

- (a) Define the term business plan (2 marks)
- (b) Highlight five characteristics of a good business opportunity (5 marks)
- (c) Explain in detail three ways in which one can start a business (6 marks)
- (d) Identify three difficulties encountered by business people when protecting their trade secrets (3 marks)
- (e) State four benefits of marketing research (4 marks)
- (f) Discuss five factors that managers consider when choosing the type of finance they need (10 marks)

SECTION B: ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO (20 MARKS)

- (a) State any two external source of business ideas (2 marks)
- (b) Discuss four important issues to consider before starting a business (8 marks)
- (c) Explain in detail the five main components of a business plan (10 marks)

QUESTION THREE (20 MARKS)

- (a) Highlight any two clauses of memorandum of association (2 marks)
- (b) Discuss the four stages of business life cycle (8 marks)
- (c) State four responsibilities of business managers (5 marks)
- (d) Identify five reasons for protection of business ideas (5 marks)

QUESTION FOUR (20 MARKS)

- (a) Discuss five major objectives of marketing (10 marks)
- (b) Explain five forces of external business environment (10 marks)