

The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF ARTS IN DEVELOPMENT STUDIES/
BACHELOR OF COMMERCE /BACHELOR OF MANAGEMENT
AND LEADERSHIP/ BACHELOR OF BUSINESS INFORMATION
TECHNOLOGY

UCU 403/BCM 423/UCU 301/BBIT 423: BUSINESS MANAGEMENT
INFORMATION SYSTEMS

DATE: 2ND APRIL 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

SAFIMART KENYA LTD

SafiMart Kenya Ltd is a mid-sized retail chain operating in Nairobi, Mombasa, and Kisumu. For over a decade, the company has served customers through physical stores, offering groceries, household goods, and electronics. However, with increasing competition from e-commerce platforms and shifting consumer expectations, SafiMart's management realized that their reliance on traditional manual systems for stock control, payroll, and customer service was no longer sustainable.

The company embarked on a digital transformation journey to implement a Business Management Information System (BMIS). The system was expected to integrate sales, procurement, payroll, inventory, and customer relationship management into one centralized platform. While the system promised efficiency, transparency, and better decision-making, the transition faced several challenges. Employees resisted the system due to fear of job loss, inadequate ICT skills, and mistrust of technology. Furthermore, the company struggled with the high cost of software licenses, hardware upgrades, and internet connectivity. During the rollout, managers discovered that data from different branches was inconsistent, poorly captured, and sometimes missing altogether.

To address these problems, SafiMart invested in staff training, hired ICT consultants, and adopted cloud-based storage for data accessibility. Additionally, they introduced an Enterprise Resource Planning (ERP) module for supply chain management, aiming to optimize procurement and reduce stockouts.

Six months after implementation, management reported mixed results. While transaction processing became faster, decision-making was still slow because managers had not fully embraced data analytics tools. The board of directors is now questioning whether the BMIS investment is delivering adequate **value for money** and whether emerging trends such as e-business and mobile applications should be integrated into the system.

Required:

- a) Using the SafiMart case, analyze the key roles of BMIS in improving organizational decision-making. **(7 MARKS)**
- b) Discuss the challenges of BMIS implementation that SafiMart encountered and propose solutions. **(7 MARKS)**
- c) Evaluate how SafiMart can leverage ERP and cloud-based technologies to gain competitive advantage. **(6 MARKS)**
- d) Explain how SafiMart could integrate emerging IS trends such as mobile applications and e-business into its operations. **(5 MARKS)**

QUESTION TWO

- a) As a consultant for a retail chain expanding into e-commerce, identify the five components of an information system that you would assess before recommending a new system. **(8 MARKS)**
- b) Using practical examples, demonstrate how these components (hardware, software, people, processes, and data) can contribute to organizational success in such a retail business. **(7 MARKS)**

QUESTION THREE

- a) A medium-sized Kenyan manufacturing firm still relies on traditional information systems such as manual filing and paper-based reports. Explain three key limitations the firm faces with this approach. **(8 MARKS)**
- b) Propose how the firm could adopt electronic information systems to overcome these limitations, giving practical examples from HR, finance, or operations. **(7 MARKS)**

QUESTION FOUR

You have been appointed as an ICT manager in a growing SME that is struggling with slow decision-making and poor record management.

- a) Explain how Management Information Systems (MIS) can be applied to improve strategic, tactical, and operational decisions in this business.

(9 MARKS)

- b) Demonstrate, with specific examples, how tools such as spreadsheets and decision support systems (DSS) can be applied to solve daily operational challenges (e.g., sales forecasting, budgeting, or customer analysis).

(6 MARKS)

QUESTION FIVE

A Kenyan logistics company is planning to implement an Enterprise Resource Planning (ERP) system.

- a) Discuss the benefits and challenges the company is likely to face during ERP adoption.

(8 MARKS)

- b) With practical Kenyan examples, explain how ERP can be effectively implemented to improve supply chain efficiency.

(7 MARKS)

QUESTION SIX

A Kenyan commercial bank is exploring new ways to remain competitive.

- a) Analyze the emerging trends in information systems (such as mobile banking, cloud computing, and e-business) that the bank can adopt to improve service delivery.

(8 MARKS)

- b) Explain how the bank's IT investment decisions should be aligned with its overall business strategy to ensure sustainability and long-term value.

(7 MARKS)