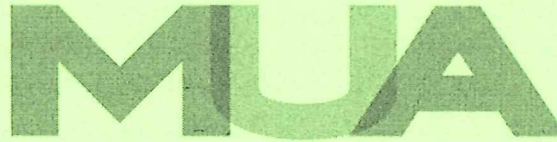


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**CERTIFICATE UNIVERSITY EXAMINATIONS**

**SCHOOL OF MANAGEMENT AND LEADERSHIP**

**CERTIFICATE IN ENTREPRENEURSHIP**

**CES 104: BUSINESS PLANNING**

**DATE: 1<sup>ST</sup> APRIL 2025**

**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 FOUR questions.
6. Question ONE carries 30 MARKS and the rest carry 10 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:

### Assessing and Mitigating Business Risk in a retail Company

ABC Retail is a mid-sized company operating a chain of retail stores across the United States. Founded in 1990, the company has grown steadily over the years, establishing a loyal customer base and a reputation for quality products and customer service. However, with the rapid changes in the retail industry, ABC Retail faces significant business risks that could impact its profitability and long-term sustainability.

The primary business risks identified for ABC Retail include; Increasing competition from e-commerce giants like Amazon and other brick-and-mortar retailers. Shifts in consumer behavior, with more customers preferring online shopping. Dependence on international suppliers, making the supply chain vulnerable to geopolitical tensions, natural disasters, and logistical issues. Challenges in managing inventory levels, leading to overstocking or stock outs. Exposure to default risk from customers or suppliers who may not fulfill their payment obligations. Potential cash flow issues, especially during economic downturns. Failure to adapt to the digital transformation in the retail sector. Damage to the brand due to poor customer service or negative publicity. Adapting to new regulations and compliance requirements, especially related to consumer protection and data privacy.

ABC Retail's comprehensive approach to identifying, analyzing, and mitigating business risks enabled the company to navigate the challenges in the retail industry effectively. By continuously monitoring and adapting to the evolving risk landscape, ABC Retail positioned itself for sustained growth and long-term success.

#### Required:

- a) Discuss specific strategies that ABC Retail can implement to differentiate itself from competitors like Amazon and other brick-and-mortar stores (10 marks)
- b) Explain measures ABC Retail adopt to minimize the risk of defaults from customers and suppliers. (10 marks)

- c) Expound on 5 Components that ABZ must have had in their business plan when they started the business (10 Marks)

### QUESTION TWO

A product moves through some stages in the marketplace as it enters, becomes established, and exits the marketplace. Describe the 5 stages a product life cycle

(10 Marks)

### QUESTION THREE

- a) Explain three Importance of a Business Plan in a business. (6 Marks)  
b) Highlight and discuss 2 Factors of how risk affects the business (4 Marks)

### QUESTION FOUR

- a) Discuss five Business Development Strategies (5 Marks)  
b) "Productivity isn't everything, but in the long run it's almost everything".  
Expound 5 advantages of higher productivity to a business and its environs

(5 Marks)

### QUESTION FIVE

Explain the meaning of the following terminologies

- a) Business Plan (2 Marks)  
b) Capacity planning (2 Marks)  
c) Product Screening (2 Marks)  
d) Product development strategy (2 Marks)  
e) Product Strategy (2 Marks)

### QUESTION SIX

- a) Describe 5 Steps to develop and document a good business development plan (5 Marks)  
b) Examine five Key components of an operational plan (5 Marks)

