



The Chartered
Institute of Logistics
and Transport

The
Management
University
of Africa



Sponsored by the Kenya Institute of Management

CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT
(CILT) EXAMINATIONS IN COLLABORATION WITH
MANAGEMENT UNIVERSITY OF AFRICA
PROFESSIONAL CERTIFICATE IN LOGISTICS AND TRANSPORT

CERT M2: BUSINESS APPLICATION

DATE: 18TH DECEMBER 2024

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 following case and answer the questions that follow:

GROWING MARKET SHARE AND ANALYSIS OF MARKET SEGMENTS

In basic economics, the main objective of venturing into business of whichever form (sole-proprietorship, partnership or company) is to maximize profits. However, additional objectives include shareholder wealth maximization, sustainability and growth, as well as corporate social responsibility (CSR). It is worth noting that without making of profits, realization of the other objectives becomes mere wishful thinking. Pristine capitalists who endeavor to achieve profit maximization with disregard for other objectives, especially that of corporate social responsibility, may only survive in the short-run may be due to monopolistic powers at the expense of the long-run.

So as to grow earnings in the modern competitive environments, some of which are characterized by cut-throat competition, it is imperative that businesses have to keep on growing their market share, among other approaches. To grow the market share, a business organization has to embark on marketing mix activities also known as the 4 P's for tangible products and the 7 P's for services. Advertising and other promotional mix activities have also to be undertaken.

Any meaningful growth in market share requires appropriate market segmentation as a pre-requisite for targeting and positioning. Not all identified market segments may be covered with a firm's product offerings not only because there may be financial and other constraints but also because some segments may be too tiny as not to make economic sense. Thus proper market research and analysis of market segments is a precursor to enhancing growth in the market share of a business organization.

Required:

Using issues raised in the above discussion together with your mastery of business applications;

- a) Demonstrate three of the 4 P's underscoring the importance of each of in the marketing mix for tangible products,. (6 Marks)
- b) Assess any five market segmentation bases that can be used by a logistics firm to grow its market share. (10 Marks)
- c) Highlight on any three promotional mix tools that are used by business firms to communicate about their products to the public and prospective customers. (9 Marks)

QUESTION TWO

- a) What three activities could be undertaken by organizational managers before embarking on the recruitment and selection of new employees briefly showing why each is important? (6 Marks)
- b) Discuss any six strategies for overcoming resistance to organizational change by workers. (9 Marks)

QUESTION THREE

- a) Differentiate between 'visual' and 'auditory' techniques of staff motivation in business enterprises citing examples. (5 Marks)
- b) Use the model developed by Abraham Maslow commonly referred to as 'Hierarchy of Needs' theory, to demonstrate five categories of needs showing how each can be used by supervisors to motivate their staff. (10 Marks)

QUESTION FOUR

- a) Analyse any five standard disciplinary procedures for employees that are recommended by human resource practitioners. (7.5 Marks)
- b) What are the five ingredients of a 'SMART' business plan that would be useful for attracting business financiers? (7.5 Marks)

QUESTION FIVE

- a) Identify any five sources of finance for consideration by a commercial entity. **(5 Marks)**
- b) Explain five responsibilities of a finance director. **(10 Marks)**

QUESTION SIX

- a) Identify any five parties engaged in the chain of distribution of processed products, briefly highlighting the role of each party. **(5 Marks)**
- b) Develop five steps of successful implementation of organizational change envisaged by John Kotler, indicating the essence of each step. **(10 Marks)**